

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
BOARD ACTION SUMMARY

DEPT: Behavioral Health and Recovery Services BOARD AGENDA #: \*B-5

AGENDA DATE: June 27, 2017

**SUBJECT:**

Approval of an Amendment to the Agreement with Sierra Vista Hospital in Sacramento for the Provision of Acute Psychiatric Inpatient Hospitalization Services to Stanislaus County Uninsured Residents and Medi-Cal Beneficiaries for Fiscal Year 2016-2017

**BOARD ACTION AS FOLLOWS:**

No. 2017-343

On motion of Supervisor Withrow, Seconded by Supervisor Olsen  
and approved by the following vote,

Ayes: Supervisors: Olsen, Withrow, Monteith, DeMartini, and Chairman Chiesa

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

- 1)  Approved as recommended
- 2)  Denied
- 3)  Approved as amended
- 4)  Other:

MOTION:

ATTEST: Elizabeth A. King  
ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
AGENDA ITEM**

DEPT: Behavioral Health and Recovery Services BOARD AGENDA #: \*B-5  
Urgent  Routine  AGENDA DATE: June 27, 2017

[Signature]

CEO CONCURRENCE: *phc*

4/5 Vote Required: Yes  No

**SUBJECT:**

Approval of an Amendment to the Agreement with Sierra Vista Hospital in Sacramento for the Provision of Acute Psychiatric Inpatient Hospitalization Services to Stanislaus County Uninsured Residents and Medi-Cal Beneficiaries for Fiscal Year 2016-2017

**STAFF RECOMMENDATIONS:**

1. Approve an amendment to the agreement with Sierra Vista Hospital in Sacramento for the provision of acute psychiatric inpatient hospitalization services to Stanislaus County uninsured residents and Medi-Cal beneficiaries through the end of Fiscal Year 2016-2017.
2. Authorize the Behavioral Health Director, or his designee, to sign the amendment with Sierra Vista Hospital to provide acute psychiatric inpatient hospitalization services to Stanislaus County uninsured residents and Medi-Cal beneficiaries through the end of Fiscal Year 2016-2017.

**DISCUSSION:**

Behavioral Health and Recovery Services (BHRS) is required to provide or arrange for the provision of Medi-Cal Specialty Mental Health Services, including acute psychiatric hospitalization services. Sierra Vista Hospital, located at 8001 Bruceville Road in Sacramento, is an acute psychiatric hospital providing services for uninsured and Medi-Cal beneficiary county residents who are in need of treatment for an acute crisis phase of a mental condition. The goal of this placement is to alleviate the resident's acute psychiatric symptoms and to return them to a less restrictive level of care.

On November 7, 2014, BHRS entered into a three-year agreement with Sierra Vista Hospital to provide comprehensive acute psychiatric inpatient hospitalization services to Stanislaus County uninsured residents and Medi-Cal beneficiaries with a total contract maximum of \$450,000. The agreement limited each fiscal year to a contract maximum of \$150,000 per year. In May 2017, BHRS staff analyzed the contract expenditures to date and determined that the initial contract amount would be insufficient to cover additional expenses projected for the remainder of the fiscal year due to an unforeseen influx of admissions to this facility during the month of March. The number of residents requiring acute psychiatric hospitalization has continued to increase at a higher rate than that experienced over the last two fiscal years. To date, \$139,650 of the \$150,000 contract maximum for Fiscal Year 2016-2017 has been expended for hospitalizations through April 2017. Subsequent to April 2017, seven additional clients were hospitalized at this facility and the Department estimates that these placements will exceed the current contract authority. Currently, no additional referrals are being made to

Approval of an Amendment to the Agreement with Sierra Vista Hospital in Sacramento for the Provision of Acute Psychiatric Inpatient Hospitalization Services to Stanislaus County Uninsured Residents and Medi-Cal Beneficiaries for Fiscal Year 2016-2017

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Sierra Vista Hospital, but in order to continue to access this treatment facility for those in need, it is requested to amend the agreement with Sierra Vista Hospital. If the request to modify the existing agreement is not approved, services provided after April 2017 would not be paid in a timely fashion.

The recommended amendment would increase the agreement by \$100,000 in the current fiscal year, bringing the total contract amount from \$450,000 to \$550,000, and would allow BHRS to continue to use Sierra Vista for the placement of BHRS clients with serious mental illness needing acute psychiatric hospitalization.

**POLICY ISSUE:**

Board of Supervisors approval is required for any contract or agreement wherein the total cumulative compensation exceeds \$100,000. Cumulative refers to the total compensation paid by an individual department in the reporting year and the two fiscal years immediately prior thereto, where there has been no break in contractual services over six months.

**FISCAL IMPACT:**

The Behavioral Health and Recovery Services Final Budget for Fiscal Year 2016-2017 included funding in the amount of \$150,000 for this agreement with Sierra Vista Hospital to provide acute psychiatric inpatient hospitalization services. The Department has sufficient appropriations and estimated revenue to absorb the increase of \$100,000 at the new contract maximum of \$550,000. There is no impact to County General Fund

<b>Cost of recommended action:</b>		\$ 100,000
<b>Source(s) of Funding:</b>		
1991 Realignment/2011 Realignment	\$ 100,000	
<b>Funding Total:</b>		\$ 100,000
<b>Net Cost to County General Fund</b>		\$ -

<b>Fiscal Year:</b>	2016/2017
<b>Budget Adjustment/Appropriations needed:</b>	No

<b>Fund Balance as of May 31, 2017</b>	
Behavioral Health and Recovery Services	\$20,153,865

The following table includes the cumulative value of prior contracts with Sierra Vista Hospital for the provision of acute psychiatric inpatient hospitalization services for the fiscal periods beginning July 1, 2014, through June 30, 2017, as required in Contract Reporting Policy Number One, originally approved by the Board on March 20, 2011.

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Budget Unit	Contractor	Description of Services	Previous Contract Amounts for the Period 7/1/14 through 6/30/17	Proposed Additional Amount for FY 7/1/16 through 6/30/17	Cumulative Total Contract
Managed Care	Sierra Vista Hospital	Provision of acute psychiatric inpatient hospitalization services	\$450,000	\$100,000	\$550,000

**BOARD OF SUPERVISORS' PRIORITY:**

This agenda item supports the Board of Supervisors' priorities of A Healthy Community, Effective Partnerships and Efficient Delivery of Public Services by contracting with a community provider to deliver the needed services at an appropriate level of service in a cost-effective manner.

**STAFFING IMPACT:**

Existing staff will provide contract oversight and monitoring. There is no additional staffing impact associated with the approval of this agenda item.

**CONTACT PERSON:**

Rick DeGette, MA, MFT                      Behavioral Health Director                      Telephone: 525-6205

**ATTACHMENT(S):**

1 – Amendment to the Sierra Vista Hospital Provider Agreement

# Attachment 1

**AMENDMENT  
TO PROVIDER AGREEMENT**

This Amendment is made and entered into in the City of Modesto, State of California, by and between the County of Stanislaus (hereinafter referred to as "County"), and BHC Sierra Vista Hospital, Inc., dba Sierra Vista hospital, a Pennsylvania Corporation qualified to do business in California (hereinafter referred to as "Contractor"), effective the date of the last signature, for and in consideration of the premises, and the mutual promises, covenants, terms, and conditions hereinafter contained.

WHEREAS, County and Contractor entered into an agreement dated November 7, 2014 to provide comprehensive acute psychiatric inpatient hospitalization services to Stanislaus County uninsured residents and Medi-Cal beneficiaries; and

WHEREAS, due to an unforeseen influx of admissions to Contractor's facility, County is requesting to increase the contract maximum amount for FY 2016/2017 to cover the cost of recent admissions.

NOW, THEREFORE, in consideration of the mutual promises, covenants, terms, and conditions hereinafter contained, the Agreement is amended to increase the contract maximum amount by \$100,000, from \$450,000 to \$550,000. This amendment is incorporated into the Agreement as follows:

- I. Item 2 under D, Billing and Payment in Exhibit A is deleted and replaced with the following:
  2. In consideration of Contractor's services required under this Agreement, County shall reimburse Contractor not to exceed \$150,000 for FY 14/15, \$150,000 for FY 15/16 and \$250,000 for FY 16/17. The maximum dollar amount payable to Contractor for providing acute inpatient psychiatric services shall not exceed \$550,000 during this term of this Agreement.
  
- II. All other terms and conditions of said Agreement shall remain in full force and effect.

(SIGNATURES SET FORTH ON FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties have executed this Amendment on the date(s) shown below.

**COUNTY OF STANISLAUS  
BEHAVIORAL HEALTH AND  
RECOVERY SERVICES**

**BHC SIERRA VISTA HOSPITAL, INC.  
dba SIERRA VISTA HOSPITAL**

*Cheri Decker, LCSW for*

*Rick DeGette, MA, MFT 6-27-17*

Rick DeGette, MA, MFT  
Director

Date

Mike Zauner  
Chief Executive Officer

Date

APPROVED AS TO FORM:  
John P. Doering, County Counsel

*Marc Hartley*

Marc Hartley  
Deputy County Counsel

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IN WITNESS WHEREOF, the parties have executed this Amendment on the date(s) shown below.

**COUNTY OF STANISLAUS  
BEHAVIORAL HEALTH AND  
RECOVERY SERVICES**

**BHC SIERRA VISTA HOSPITAL, INC.  
dba SIERRA VISTA HOSPITAL**

\_\_\_\_\_  
Rick DeGette, MA, MFT  
Director

Date

\_\_\_\_\_  
Mike Zauner  
Chief Executive Officer

6/5/17

Date

APPROVED AS TO FORM:  
John P. Doering, County Counsel

\_\_\_\_\_  
Marc Hartley  
Deputy County Counsel

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